

VILLAGE OF IDA, LOUISIANA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2010

*Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.*

Release Date 7/13/11

**BATES, MURRAY & COMPANY LLC  
CERTIFIED PUBLIC ACCOUNTANTS**

**612 Barksdale Boulevard  
Bossier City, Louisiana 71111**

VILLAGE OF IDA  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
DECEMBER 31, 2010

**VILLAGE OF IDA, LOUISIANA**  
**December 31, 2010**

**Table of Contents**

	<u>Exhibit</u>	<u>Schedule</u>	<u>Page</u>
<b>Independent Auditor's Report</b>	-	-	<b>I</b>
<b>Management's Discussion And Analysis</b>	-	-	<b>3</b>
<b>Financial Statements:</b>			
<b>Statement of Net Assets</b>	<b>A</b>	-	<b>9</b>
<b>Statement of Activities</b>	<b>B</b>	-	<b>10</b>
<b>Balance Sheet-Governmental Funds</b>	<b>C</b>	-	<b>11</b>
<b>Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets</b>	<b>D</b>	-	<b>12</b>
<b>Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b>E</b>	-	<b>13</b>
<b>Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities</b>	<b>F</b>	-	<b>14</b>
<b>Statement of Net Assets-Proprietary Funds</b>	<b>G</b>	-	<b>15</b>
<b>Statement of Revenues, Expenditures, and Changes in Net Assets-Proprietary Funds</b>	<b>H</b>	-	<b>16</b>
<b>Statement of Cash Flows-Proprietary Funds</b>	<b>I</b>	-	<b>17</b>
<b>Notes to the Financial Statements</b>	-	-	<b>18</b>
<b>Required Supplementary Information:</b>			
<b>Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental     Funds-Budget (GAAP Basis) and Actual-General Fund</b>	-	<b>1</b>	<b>27</b>
<b>Other Supplementary Information:</b>			
<b>Schedule of Compensation Paid to Members of the Board of Aldermen</b>	-	<b>2</b>	<b>28</b>
<b>Schedule of Expenditures of Federal Awards</b>	-	-	<b>29</b>
<b>Notes to Schedule of Expenditures of Federal Awards</b>	-	-	<b>30</b>
<b>Other Reports:</b>			
<b>Report on Internal Control Over Financial Reporting and on Compliance and     Other Matters Based on an Audit of Financial Statements Performed in     Accordance With Government Auditing Standards</b>	-	-	<b>31</b>
<b>Independent Auditor's Report on Compliance with Requirements That Could     Have a Direct and Material Effect on Each Major Program and on Internal     Control Over Compliance in Accordance with OMB Circular A-133</b>	-	-	<b>33</b>
<b>Summary Schedule of Prior Year Findings</b>	-	<b>3</b>	<b>35</b>
<b>Schedule of Findings and Questioned Costs     with Corrective Action Plan</b>	-	-	<b>36</b>

**INDEPENDENT AUDITOR'S REPORT**

# Bates, Murray & Company LLC

A FIRM OF CERTIFIED PUBLIC ACCOUNTANTS

612 BARKSDALE BOULEVARD  
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## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of Aldermen  
Village of Ida, Louisiana

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and the major fund of the Village of Ida, Louisiana as of and for the year ended December 31, 2010, which collectively comprise the Village's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Village of Ida's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Village of Ida, Louisiana, as of December 31, 2010, and the respective changes in financial position, and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2011, on our consideration of the Village of Ida, Louisiana's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in

accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Village of Ida, Louisiana's financial statements as a whole. The "Other supplementary Information" section is presented for purposes of additional analysis and are not a required part of the financial statements.

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

  
Bates, Murray & Company LLC

Bossier City, Louisiana  
June 28, 2011

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

**VILLAGE OF IDA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2010**

The Management's Discussion and Analysis of the Village of Ida's financial performance presents a narrative overview and analysis of the Village of Ida's financial activities for the year ended December 31, 2010. This document focuses on the current year's activities, resulting changes, and currently known facts. Please read this document in conjunction with the additional information contained in the Village of Ida's financial statements.

**FINANCIAL HIGHLIGHTS**

Governmental Activities

- 1) The Village of Ida had cash and investments of \$90,785 at December 31, 2010, which represents an increase of \$16,694 from prior year end.
- 2) The Village of Ida had accounts receivable of \$- 0- at December 31, 2010, which represents no change from prior year end.
- 3) The Village of Ida had accounts payable and accruals of \$4,323 at December 31, 2010, which represents an increase of \$710 from prior year end.
- 4) The Village of Ida had total revenues of \$805,876 for the year ended December 31, 2010, which represents an increase of \$676,984 from prior year end.
- 5) The Village of Ida had total expenditures of \$771,486 for the year ended December 31, 2010, which represents an increase of \$645,695 from prior year end.
- 6) The Village of Ida had capital asset purchases of \$- 0- for the year ended December 31, 2010, which represents a decrease of \$30,000 from prior year.
- 7) The Village of Ida had sewer project construction in progress of \$663,992 for the year ended December 31, 2010. The sewer project is scheduled for completion in 2011.

Business-Type Activities

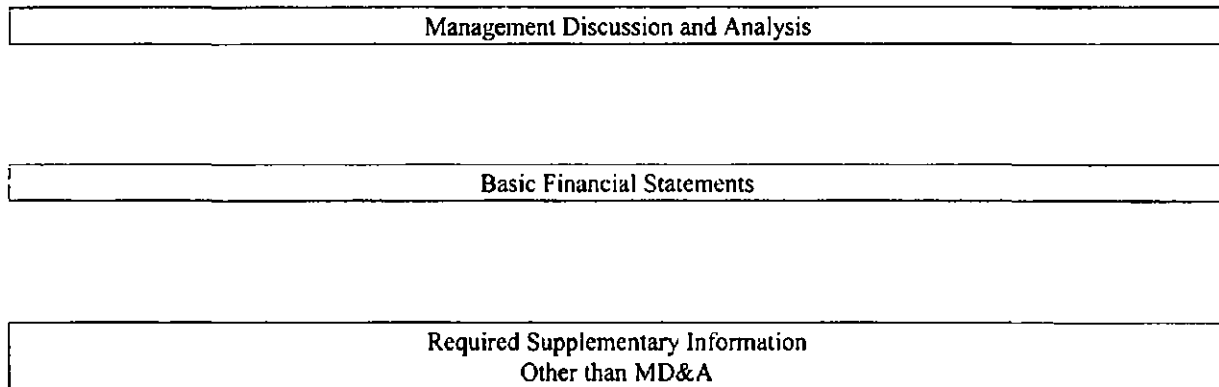
- 1) The Village of Ida had cash and investments of \$123,571 for the year ended December 31, 2010, which represents a decrease of \$31,460 from prior year.
- 2) The Village of Ida had accounts receivable of \$4,186 for the year ended December 31, 2010, which represents a decrease of \$739 from prior year.
- 3) The Village of Ida had accounts payable and accruals of \$5,403 for the year ended December 31, 2010, which represents an increase of \$5,403 from prior year.
- 4) The Village of Ida had total operating revenues of \$62,368 for the year ended December 31, 2010, which represents an increase of \$968 from prior year.
- 5) The Village of Ida had total operating expenses of \$105,708 for the year ended December 31, 2010, which represents an increase of \$36,816 from prior year.
- 6) The Village of Ida received through capital projects and purchases capital assets of \$-0- for the year ended December 31, 2010, which represents a decrease of \$140,591 from prior year.



VILLAGE OF IDA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The following graphic illustrates the minimum requirements for the Village of Ida as established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments.



These financial statements consist of three sections-Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Village of Ida as a whole and present a longer-term view of the Village's finances. Fund financial statements are also included. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Village's operations in more detail than the government-wide statements by providing information about the Village's most significant funds.

**Reporting the Village as a Whole**

The Statement of Net Assets and the Statement of Activities

One of the most important questions asked about the Village's finances is, "Is the Village as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the Village as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

VILLAGE OF IDA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)**

These two statements report the Village's net assets and changes in them. You can think of the Village's net assets, the difference between assets and liabilities, as one way to measure the Village's financial health, or financial position. Over time, increases or decreases in the Village's net assets are one indicator of whether its financial health is improving or deteriorating.

In the Statement of Net Assets and the Statement of Activities, we divide the Village into two kinds of activities:

Governmental Activities

Most of the Village's basic services are reported here. Taxes, licenses and permits, interest income, rental income, and miscellaneous other revenues finance most of these activities.

Business-Type Activities

The Village charges a fee to customers to help it cover all or most of the cost of certain services it provides. The Village's water system and cemeteries are reported here.

**Reporting the Village's Most Significant Funds**

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds, not the Village as a whole. Some funds are required to be established by State law and by bond covenants. However, the Village Board of Aldermen may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The Village's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental Funds

Most of the Village's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short term view of the Village's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Village's activities as well as what remains for future spending.

Proprietary Funds

When the Village charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and Statement of Activities. In fact, the Village's enterprise funds are the same as the business-type activities reported in the government-wide statements but provide more detail and additional information, such as cash flows.

**VILLAGE OF IDA, LOUISIANA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)**  
**December 31, 2010**

**FINANCIAL ANALYSIS OF THE ENTITY**

Statement of Net Assets As of Year End				
	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
Current and other assets	\$ 758,930	\$ 74,091	\$ 180,104	\$ 205,505
Capital assets, net	<u>118,183</u>	<u>121,833</u>	<u>292,929</u>	<u>307,260</u>
<b>Total Assets</b>	<b><u>\$ 877,113</u></b>	<b><u>\$ 195,924</u></b>	<b><u>\$ 473,033</u></b>	<b><u>\$ 512,765</u></b>
Other liabilities	\$ 4,323	\$ 3,613	\$ 5,403	\$ 30,155
Long-term liabilities	<u>7,504</u>	<u>0</u>	<u>4,964</u>	<u>4,514</u>
<b>Total Liabilities</b>	<b><u>11,827</u></b>	<b><u>3,613</u></b>	<b><u>10,367</u></b>	<b><u>34,669</u></b>
Net assets				
Investment in capital assets, net of related debt	118,183	121,833	292,929	277,105
Restricted	664,401	0	46,493	42,443
Unrestricted	<u>82,702</u>	<u>70,478</u>	<u>123,244</u>	<u>158,548</u>
<b>Total Net Assets</b>	<b><u>865,286</u></b>	<b><u>192,311</u></b>	<b><u>462,666</u></b>	<b><u>478,096</u></b>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 877,113</u></b>	<b><u>\$ 195,924</u></b>	<b><u>\$ 473,033</u></b>	<b><u>\$ 512,765</u></b>

Net assets of the Village of Ida increased by \$672,975 and decreased \$15,430 from the previous fiscal year in Governmental Activities and Business-Type Activities respectively.

Statement of Activities For the Year Ended				
	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
General government				
Expenses	\$ (123,648)	\$ (102,978)	\$ (105,708)	\$ (68,892)
Program revenues				
Charges for services	0	0	62,368	52,719
Operating and capital grants and contributions	<u>708,706</u>	<u>56,896</u>	<u>0</u>	<u>155,656</u>
<b>Subtotal</b>	<b>585,058</b>	<b>(46,082)</b>	<b>(43,340)</b>	<b>139,483</b>
<b>General revenues and transfers</b>	<b><u>87,917</u></b>	<b><u>61,419</u></b>	<b><u>27,910</u></b>	<b><u>12,902</u></b>
<b>Change in net assets</b>	<b><u>\$ 672,975</u></b>	<b><u>\$ 15,337</u></b>	<b><u>\$ (15,430)</u></b>	<b><u>\$ 152,385</u></b>

The Village of Ida's total revenues and transfers increased by \$678,308 and decreased by \$130,999 from the previous fiscal year in Governmental Activities and Business-Type Activities respectively. The total cost of all programs and services increased \$20,670 and increased \$36,816 from the previous fiscal year in Governmental Activities and Business-Type Activities respectively.

VILLAGE OF IDA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
December 31, 2010

**CAPITAL ASSET AND DEBT ADMINISTRATION**

Capital Assets

At the end of 2010, the Village of Ida had \$118,183 and \$292,929 net of depreciation in Governmental Activities and Business-Type Activities, respectively, invested in a broad range of capital assets (see table below). This amount represents a net decrease of \$3,649 and a net decrease of \$14,331 in Governmental Activities and Business-Type Activities, respectively, from the previous year.

	(Net of Depreciation)			
	Governmental Activities		Business-Type Activities	
	2010	2009	2010	2009
<b>Land</b>	\$ 4,800	\$ 4,800	\$ 10,196	\$ 10,196
<b>Buildings and other improvements</b>	81,008	86,896	0	0
<b>Distribution system</b>	0	0	282,733	297,064
<b>Equipment</b>	32,375	29,875	0	0
<b>Furniture and fixtures</b>	0	261	0	0
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>\$ 118,183</b>	<b>\$ 121,832</b>	<b>\$ 292,929</b>	<b>\$ 307,260</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Additions for 2010: Police Patrol Car, Donated

Retirements for 2010: None

DEBT

The Village of Ida had long-term liabilities payable for Governmental Activities of \$7,504 and -0- for Business-Type Activities, respectively, outstanding at year end.

New debt for the year included: DEQ issued Revenue Bonds, Series 2010, in the amount of \$250,000 for the costs of constructing a sewer system for the Village. At December 31, 2010, the Village had expended only \$7,504. The unpaid balance at December 31, 2010 is \$7,504. The sewer remains under construction.

**VILLAGE OF IDA, LOUISIANA  
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)  
DECEMBER 31, 2010**

**VARIATIONS BETWEEN FINAL BUDGET AND ACTUAL**

Actual revenues were \$20,019 more than budgeted amounts due to grant revenue, sales tax, and other revenue being more than expected.

Actual expenditures were \$13,054 more than budgeted amounts due to general government expenditures being more than expected.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The Village of Ida's elected officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- 1) Continued pursuit of a viable new water well.
- 2) Intergovernmental revenues (state and local grants).
- 3) Continued implementation and completion of the sewer project.

**CONTACTING THE VILLAGE OF IDA'S MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Village of Ida's finances and to show the Village of Ida's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Clyde H. Maddox, Sr., Mayor of the Village of Ida, 7016 E. Magnolia, Ida, Louisiana 71044.

## **FINANCIAL STATEMENTS**

**EXHIBIT A**

**VILLAGE OF IDA, LOUISIANA**  
**STATEMENT OF NET ASSETS**  
**December 31, 2010**

ASSETS	Governmental Activities	Business-Type Activities	Total
<b>Current Assets</b>			
Cash	\$ 34,988	\$ 41,084	\$ 76,072
Investments	55,797	82,487	138,284
Accounts Receivable	0	4,186	4,186
Due from General Fund	0	3,106	3,106
Restricted Assets-Cash	0	43,106	43,106
Restricted Assets-Investments	0	3,387	3,387
Prepaid Expenses	4,153	2,748	6,901
Construction in Progress-Sewer Project	663,992	0	663,992
<b>Total Current Assets</b>	<u>758,930</u>	<u>180,104</u>	<u>939,034</u>
<b>Noncurrent Assets</b>			
Capital assets, net	<u>118,183</u>	<u>292,929</u>	<u>411,112</u>
<b>Total Assets</b>	<u>\$ 877,113</u>	<u>\$ 473,033</u>	<u>\$ 1,350,146</u>
<b>LIABILITIES AND NET ASSETS</b>			
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Current portion of long-term debt	\$ 1,000	\$ 0	\$ 1,000
Accounts payable and accruals	1,217	5,403	6,620
Due to Utility Fund	3,106	0	3,106
<b>Total Current Liabilities</b>	<u>5,323</u>	<u>5,403</u>	<u>10,726</u>
<b>Noncurrent Liabilities</b>			
Long-term debt, Bond Issue	6,504	0	6,504
Customer deposits	0	4,964	4,964
<b>Total Noncurrent Liabilities</b>	<u>6,504</u>	<u>4,964</u>	<u>11,468</u>
<b>Total Liabilities</b>	<u>11,827</u>	<u>10,367</u>	<u>22,194</u>
<b>NET ASSETS</b>			
Investment in capital assets, net of related debt	118,183	292,929	411,112
Restricted	664,401	46,493	710,894
Unrestricted	82,702	123,244	205,946
<b>Total Net Assets</b>	<u>\$ 865,286</u>	<u>\$ 462,666</u>	<u>\$ 1,327,952</u>

**EXHIBIT B**

**VILLAGE OF IDA, LOUISIANA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>Primary Government</b>							
Governmental Activities							
General Government	\$ 67,780	\$ 0	\$ 0	\$ 12,504	\$ (55,276)	\$ 0	\$ (55,276)
Depreciation	8,649	0	0	0	(8,649)	0	0
Public Works	47,219	0	0	696,202	648,983	0	648,983
Total Governmental Activities	123,648	0	0	708,706	585,058	0	585,058
Business-Type Activities							
Utility Fund	85,462	54,568	0	0	0	(30,894)	(30,894)
Interest Expense	485	0	0	0	0	(485)	0
Cemetery Fund	19,761	7,800	0	0	0	(11,961)	(11,961)
<b>Total Primary Government</b>	<b>\$ 229,356</b>	<b>\$ 62,368</b>	<b>\$ 0</b>	<b>\$ 708,706</b>	<b>585,058</b>	<b>(43,340)</b>	<b>541,718</b>
<b>General Revenues</b>							
Franchise taxes					6,346	0	6,346
License and permits					9,175	0	9,175
Rentals					3,062	0	3,062
Sales tax revenue					43,370	0	43,370
Interest income					1,126	2,038	3,164
Transfers					(14,253)	14,253	0
Donations					23,160	11,619	34,779
Miscellaneous					15,931	0	15,931
Total General Revenues					87,917	27,910	115,827
<b>Change in Net Assets</b>					672,975	(15,430)	657,545
<b>Beginning Net Assets</b>					192,311	478,096	670,407
<b>Net Assets, End of year</b>					<b>\$ 865,286</b>	<b>\$ 462,666</b>	<b>\$ 1,327,952</b>



**EXHIBIT C**

**VILLAGE OF IDA, LOUISIANA  
BALANCE SHEET-GOVERNMENTAL FUNDS  
DECEMBER 31, 2010**

	<u>General Fund</u>	<u>Other Governmental Funds</u>	<u>Total</u>
<b>Assets</b>			
Cash	\$ 34,988	\$ 0	\$ 34,988
Investments	55,797	0	55,797
Due from Utility Fund	0	0	0
Accounts Receivable	0	0	0
Prepaid Expenses	<u>4,153</u>	<u>0</u>	<u>4,153</u>
<b>Total Assets</b>	<b>\$ <u>94,938</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>94,938</u></b>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts payable and accruals	\$ 1,217	\$ 0	\$ 1,217
Due to Utility Fund	<u>3,106</u>	<u>0</u>	<u>3,106</u>
<b>Total Liabilities</b>	<b>4,323</b>	<b>0</b>	<b>4,323</b>
<b>Fund Balances</b>			
Unreserved	90,206	0	90,206
Reserved	<u>409</u>	<u>0</u>	<u>409</u>
<b>Total Fund Balance</b>	<b><u>90,615</u></b>	<b><u>0</u></b>	<b><u>90,615</u></b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ <u>94,938</u></b>	<b>\$ <u>0</u></b>	<b>\$ <u>94,938</u></b>

**EXHIBIT D**

**VILLAGE OF IDA, LOUISIANA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
DECEMBER 31, 2010**

<b>Total Fund Balances for Governmental Funds (Exhibit C)</b>	<b>\$ 90,615</b>
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**Total Net Assets reported for governmental activities in the statement of net assets is different because:**

**Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:**

Land	\$ 4,800
Buildings and other improvements, net of \$140,330 in accumulated depreciation	81,008
Equipment, furniture, and fixtures , net of \$60,880 in accumulated depreciation	32,375
Construction in Progress-Sewer Project	<u>663,992</u>

<b>Total Capital Assets</b>	<b>782,175</b>
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**Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities. Those liabilities consist of:**

Long-term debt, Bond Issue Sewer Project	<u>(7,504)</u>	
<b>Total Long-term Liabilities</b>		<u>(7,504)</u>

<b>Total Net Assets of Governmental Activities (Exhibit A)</b>	<b>\$ <u><u>865,286</u></u></b>
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**EXHIBIT E**

**VILLAGE OF IDA, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES-**  
**GOVERNMENTAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>GENERAL FUND</u>	<u>CAPITAL PROJECTS FUND</u>	<u>TOTAL</u>
<b><u>REVENUES</u></b>			
Franchise Fees	\$ 6,346	\$ 0	\$ 6,346
Grant Revenue-Sewer Grant FY 2005	0	561,488	561,488
DEQ Bond Issue-Sewer Project	0	7,504	7,504
Other Grant Revenue-Louisiana Cooperative	0	134,714	134,714
Licenses and Permits	9,175	0	9,175
Sales Tax Revenue	43,370	0	43,370
Interest	1,126	0	1,126
Rentals	3,062	0	3,062
Donations	23,160	0	23,160
Other Revenues	15,931	0	15,931
<b>Total revenues</b>	<u>102,170</u>	<u>703,706</u>	<u>805,876</u>
<b><u>EXPENDITURES</u></b>			
Payroll	1,413	0	1,413
Casual Labor	6,842	0	6,842
Dues and Publications	1,741	0	1,741
Insurance	5,637	0	5,637
Repairs and Maintenance	4,111	0	4,111
Office	740	0	740
Professional Fees	7,378	0	7,378
Printing & Reproduction	200	0	200
Police Department	372	0	372
Supplies	11,088	0	11,088
Utilities	9,702	0	9,702
Telephone	2,448	0	2,448
Street Lighting	0	0	0
Travel	0	0	0
Capital Outlays	0	703,706	703,706
Miscellaneous	16,108	0	16,108
<b>Total Expenditures</b>	<u>67,780</u>	<u>703,706</u>	<u>771,486</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>34,390</u>	<u>0</u>	<u>34,390</u>
<b>Other financing sources (uses)</b>			
Operating transfers in	24,239	0	24,239
Operating transfers out	(38,492)	0	(38,492)
<b>Net other financing sources (uses)</b>	<u>(14,253)</u>	<u>0</u>	<u>(14,253)</u>
<b>NET CHANGE IN FUND BALANCES</b>	20,137	0	20,137
<b>FUND BALANCE AT BEGINNING OF YEAR</b>	<u>70,478</u>	<u>0</u>	<u>70,478</u>
<b>FUND BALANCE AT END OF YEAR</b>	<u>\$ 90,615</u>	<u>\$ 0</u>	<u>\$ 90,615</u>

See accompanying notes and accountant's report.

**EXHIBIT F**

**VILLAGE OF IDA, LOUISIANA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Net Change in Fund Balances-Total Governmental Funds (Exhibit E) \$ 20,137**

**The change in Net Assets reported for governmental activities in the statement of activities is different because:**

**Construction in progress is reported in the Statement of Net Assets, however is not reported in the Fund Balance. Construction in progress at 12-31-10 is \$ 663,992. Construction in progress includes the incomplete sewer project. 663,992**

**Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$5,000) exceeds depreciation (\$8,650) in the current period. (3,650)**

**Long-term liabilities are not due and payable in the current period and therefore are not reported in the fund liabilities. Those liabilities consist of:**

**Long-term debt, Bond Issue for Sewer Project (7,504)**

**Change in Net Assets of Governmental Activities (Exhibit B) \$ 672,975**

**EXHIBIT G**

**VILLAGE OF IDA, LOUISIANA**  
**STATEMENT OF NET ASSETS-PROPRIETARY FUNDS**  
**December 31, 2010**

	<u>Utility Fund</u>	<u>Cemetery Fund</u>	<u>Total</u>
<b>Assets</b>			
<b>Current Assets</b>			
Cash	\$ 13,723	\$ 27,361	\$ 41,084
Investments	0	82,487	82,487
Accounts Receivable	4,186	0	4,186
Due From General Fund	3,106	0	3,106
Restricted Assets-Cash	43,106	0	43,106
Restricted Assets-Investments	3,387	0	3,387
Prepaid Expenses	2,748	0	2,748
Total Current Assets	70,256	109,848	180,104
<b>Noncurrent Assets</b>			
Capital assets, net of accumulated depreciation	284,029	8,900	292,929
Total Assets	\$ 354,285	\$ 118,748	\$ 473,033
<b>Liabilities and Fund Balances</b>			
<b>Current Liabilities</b>			
Accounts payable and accruals	\$ 5,403	\$ 0	\$ 5,403
Note Payable, current portion	0	0	0
Due to General Fund	0	0	0
Total Current Liabilities	5,403	0	5,403
<b>Noncurrent Liabilities</b>			
Customer deposits	4,964	0	4,964
Total Liabilities	10,367	0	10,367
<b>Net Assets</b>			
Investments in capital assets, net of related debt	284,029	8,900	292,929
Restricted	46,493	0	46,493
Unrestricted	13,396	109,848	123,244
Total Net Assets	\$ 343,918	\$ 118,748	\$ 462,666

**EXHIBIT H**

**VILLAGE OF IDA, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN NET ASSETS-**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>UTILITY FUND</u>	<u>CEMETARY FUND</u>	<u>TOTAL</u>
<b><u>OPERATING REVENUES</u></b>			
Charges for Services	\$ 52,304	\$ 2,500	\$ 54,804
Other Revenues	<u>2,264</u>	<u>5,300</u>	<u>7,564</u>
Total revenues	<u>54,568</u>	<u>7,800</u>	<u>62,368</u>
<b><u>OPERATING EXPENSES</u></b>			
Payroll	13,848	0	13,848
Casual Labor	2,976	11,200	14,176
Repairs and Maintenance	28,042	5,300	33,342
Office	648	691	1,339
Professional Fees	1,962	0	1,962
Insurance	7,459	0	7,459
Utilities	3,523	128	3,651
Depreciation	14,331	0	14,331
Miscellaneous	<u>12,673</u>	<u>2,442</u>	<u>15,115</u>
Total Expenditures	<u>85,462</u>	<u>19,761</u>	<u>105,223</u>
Operating Income/(Loss)	<u>(30,894)</u>	<u>(11,961)</u>	<u>(42,855)</u>
<b><u>NONOPERATING REVENUES/(EXPENSES)</u></b>			
Interest Income	109	1,929	2,038
Contributions	0	11,619	11,619
Grants	0	0	0
Interest Expense	(485)	0	(485)
Other financing sources (uses)			
Operating transfers in	38,492	0	38,492
Operating transfers out	<u>(24,239)</u>	<u>0</u>	<u>(24,239)</u>
Change in Net Assets	(17,017)	1,587	(15,430)
Net Assets, Beginning of year	360,935	117,161	478,096
Net Assets, End of year	\$ <u><u>343,918</u></u>	\$ <u><u>118,748</u></u>	\$ <u><u>462,666</u></u>

See accompanying notes and accountant's report.

**EXHIBIT I**

**VILLAGE OF IDA, LOUISIANA  
STATEMENT OF CASH FLOWS-  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>UTILITY FUND</u>	<u>CEMETARY FUND</u>	<u>TOTAL</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>			
Operating Income (Loss)	\$ (30,894)	\$ (11,961)	\$ (42,855)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	14,331	0	14,331
(Increase) Decrease in Accounts Receivable	738	0	738
(Increase) Decrease in Prepaids	(2,747)	0	(2,747)
Increase (Decrease) in Accounts Payable	5,403	0	5,403
Increase (Decrease) in Customer Deposits	450	0	450
Net Cash Provided (Used) by Operating Activities	<u>(12,719)</u>	<u>(11,961)</u>	<u>(24,680)</u>
<b><u>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</u></b>			
Net Transfers from other funds	14,253	0	14,253
Grant Revenue & Contributions	0	11,619	11,619
Net Cash Provided (Used) by Noncapital Financing Activities	<u>14,253</u>	<u>11,619</u>	<u>25,872</u>
<b><u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u></b>			
Capital Expenditures for plant & equipment	0	0	0
Interest Expense	(485)	0	(485)
Loan Payoff	(30,155)	0	(30,155)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(30,640)</u>	<u>0</u>	<u>(30,640)</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>			
Sale of Investments	3,377	80,633	84,010
Purchase of Investments	(3,387)	(82,487)	(85,874)
Interest Income	109	1,929	2,038
Net Cash Provided (Used) by Investing Activities	<u>99</u>	<u>75</u>	<u>174</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(29,007)</b>	<b>(267)</b>	<b>(29,274)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b><u>85,836</u></b>	<b><u>27,628</u></b>	<b><u>113,464</u></b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 56,829</u></b>	<b><u>\$ 27,361</u></b>	<b><u>\$ 84,190</u></b>

See accompanying notes and accountant's report.

**VILLAGE OF IDA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2010**

The Village of Ida was incorporated in 1967 under the provisions of LA R.S. 33:321-48. The Village operates under a Mayor-Aldermen form of government. The Village's major operations include utilities, cemeteries, and general administrative services.

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A.      Basis of Accounting**

The accompanying financial statements of the Village of Ida have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB Statement No. 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, issued in June 1999.

**B.      Reporting Entity**

GASB Statement 14 establishes criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the Village of Ida is considered a primary government, since it is a special purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state or local governments. As used in GASB Statement No. 14, fiscally independent means that the Village of Ida may, without the approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt.

**C.      Government - Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Assets, Exhibit A, and the Statement of Activities, Exhibit B) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include a) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.



**VILLAGE OF IDA, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2010**

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.      Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements were prepared using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Purchases of various operating supplies are regarded as expenditures at the time purchased.

Transfers between funds that are not expected to be repaid (or any other types, such as capital lease transactions, sale of capital assets, debt extinguishment, long-term proceeds, et cetera) are accounted for as other financing sources/(uses). These other financing sources/(uses) are recognized at the time the underlying events occur.

The Village of Ida reports the following governmental, proprietary and fiduciary funds:

**Governmental Funds**

Governmental funds account for all or most of the Village of Ida's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of capital assets, and the servicing of general long-term obligations.

**General Fund** - is the general operating fund of the Village of Ida. It is used to account for all financial resources except those required to be accounted for in another fund. General tax revenues and other sources of revenue used to finance the fundamental operations of the Village of Ida are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

VILLAGE OF IDA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 1     SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D.     Measurement Focus, Basis of Accounting, and Financial Statement Presentation  
(Continued)**

**Proprietary Funds**

Proprietary funds account for activities similar to those found in the private sector, where the *determination of net income is necessary or useful to sound financial administration*. Proprietary funds differ from governmental funds in that their focus is on income measurement, which, together with the maintenance of equity, is an important financial indicator. The Village of Ida applies all GASB pronouncements as well as the Financial Accounting Standards Board pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

**Enterprise Fund** - is used to account for operations a) that are financed/operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or b) where the governing body has decided the periodic determination of revenue earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments-in-lieu of taxes and other charges between the government's enterprise operations. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include a) charges to customers or applicants for goods, services, or privileges provided, b) operating grants and contributions, and c) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

VILLAGE OF IDA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E.      Budgetary Accounting**

Formal budgetary accounting is employed as a management control. The Village of Ida prepares and adopts a budget each year for its general fund in accordance with Louisiana Revised Statutes. The operating budget is prepared based on prior year's revenues and expenditures and the estimated increase therein for the current year, using the full accrual basis of accounting. The Village of Ida amends its budget when projected revenues are expected to be less than budgeted revenues by five percent or more and/or projected expenditures are expected to be more than budgeted amounts by five percent or more. All budget appropriations lapse at year end.

**F.      Cash and Cash Equivalents**

For the purpose of the Statement of Cash Flows and consistent with GASB Statement 9, the Village of Ida, Louisiana defines cash and cash equivalents as follows:

Cash - includes not only currency on hand but also demand deposits with banks or other financial institutions and other kinds of accounts that have the general characteristics of demand deposits in that the customer may deposit additional funds at any time and also effectively may withdraw funds at any time without prior notice or penalty.

Cash equivalents - includes all short term, highly liquid investments that are readily convertible to known amounts of cash and are so near their maturity that they present insignificant risk of changes in value because of interest rates. Generally, only investments which, at the day of purchase, have a maturity date no longer than three months qualify under this definition.

**G.      Investments**

All investments are interest bearing deposits with original maturity dates in excess of three months and are stated at cost which approximates market value.

**H.      Receivables**

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible.

**I.      Restricted Assets**

The Enterprise Fund restricts customer deposits and an amount established by the Board of Aldermen for future fixed asset replacements.

VILLAGE OF IDA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 1      SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**J.      Bad Debts**

Uncollectible accounts receivable are recognized as bad debts through the establishment of an allowance account at the time information becomes available which would indicate the uncollectibility of the particular receivable. At December 31, 2010, no Governmental or Business-Type Activities receivables were considered to be uncollectible.

**K.      Capital Assets**

Depreciation is computed using the straight line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and other improvements, 10 to 25 years for the distribution system and 5 to 10 years for moveable property. Expenditures for maintenance, repairs and minor renewals are charged to earnings as incurred. Major expenditures for renewals and betterments are capitalized.

**L.      Compensated Absences**

No liability is recorded for nonvesting accumulating rights to receive vacation or sick pay benefits.

**M.      Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of *contingent* assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**N.      Interfund Transactions**

Interfund transactions which constitute reimbursements of the fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is being reimbursed. Nonrecurring or non-routine transfers of equity between funds are treated as residual equity transfers and reported as additions to or deductions from fund balance. All other transfers are treated as operating transfers and are included in the results of operations of both governmental and proprietary funds.

**O.      Statements of Cash Flows (including restricted assets)**

For purposes of the statement of cash flows, the Village of Ida considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash equivalents.

**VILLAGE OF IDA, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**DECEMBER 31, 2010**

**P. Refundable Deposits**

The Water Fund of the Village of Ida requires customers to place a deposit before service is rendered. These monies are considered restricted and are held until the customer discontinues service.

**NOTE 2 DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS**

**A. Deposits with Financial Institutions**

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the Village of Ida may deposit funds within a fiscal agent bank selected and designated by the Board of Aldermen. Further the Fund may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

Deposits in bank accounts are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. The deposits at December 31, 2010 were secured as follows:

	Cash	Certificates of Deposit	Total
Deposits in bank accounts per balance sheet	\$ 76,072 \$	138,284 \$	214,356
Bank Balances:			
1 Insured or collateralized with securities held by the entity or its agency in the entity's name	\$ 76,072 \$	138,734 \$	214,806
2 Collateralized with securities held by the pledging institution's trust department or agent in the entity's name	0	0	0
3 Uncollateralized, including any securities held for the entity but not in the entity's name	0	0	0
Total Bank Balances	\$ 76,072 \$	138,734 \$	214,806

**B. Investments**

At December 31, 2010, the Village had investments of \$138,284.

**VILLAGE OF IDA, LOUISIANA**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**  
**December 31, 2010**

**NOTE 3      ACCOUNTS RECEIVABLE**

The following is a summary of accounts receivable at December 31, 2010:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Charges for services	\$ 0	\$ 4,186	\$ 4,186
Other	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 0</u>	<u>\$ 4,186</u>	<u>\$ 4,186</u>

**NOTE 4      CAPITAL ASSETS**

A summary of the Village of Ida's capital assets at December 31, 2010 follows:

	<u>Balance Dec. 31, 2009</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance Dec. 31, 2010</u>
<b>Governmental Activities</b>				
Capital Assets, not being depreciated				
Land	\$ 4,800	\$ 0	\$ 0	\$ 4,800
Total Capital Assets, not being depreciated	<u>4,800</u>	<u>0</u>	<u>0</u>	<u>4,800</u>
Capital Assets, being depreciated				
Buildings and other improvements	221,338	0	0	221,338
Less accumulated depreciation	<u>(134,442)</u>	<u>(5,888)</u>	<u>0</u>	<u>(140,330)</u>
Total Buildings and Building Improvements	<u>86,896</u>	<u>(5,888)</u>	<u>0</u>	<u>81,008</u>
Equipment, furniture and fixtures	88,255	5,000	0	93,255
Less accumulated depreciation	<u>(58,118)</u>	<u>(2,762)</u>	<u>0</u>	<u>(60,880)</u>
Total Equipment, Furniture and Fixtures	<u>30,137</u>	<u>2,238</u>	<u>0</u>	<u>32,375</u>
Total Capital Assets, being depreciated	<u>117,033</u>	<u>(3,650)</u>	<u>0</u>	<u>113,383</u>
Governmental Activities				
Total Capital Assets, net	<u>\$ 121,833</u>	<u>\$ (3,650)</u>	<u>\$ 0</u>	<u>\$ 118,183</u>
<b>Business-Type Activities</b>				
Capital Assets, not being depreciated				
Land	\$ 10,196	\$ 0	\$ 0	\$ 10,196
Total Capital Assets, not being depreciated	<u>10,196</u>	<u>0</u>	<u>0</u>	<u>10,196</u>
Capital Assets, being depreciated				
Distribution system	435,571	0	0	435,571
Less accumulated depreciation	<u>(138,507)</u>	<u>(14,331)</u>	<u>0</u>	<u>(152,838)</u>
Total Distribution System	<u>297,064</u>	<u>(14,331)</u>	<u>0</u>	<u>282,733</u>
Total Capital Assets, being depreciated	<u>297,064</u>	<u>(14,331)</u>	<u>0</u>	<u>282,733</u>
Business-Type Activities				
Total Capital Assets, net	<u>\$ 307,260</u>	<u>\$ (14,331)</u>	<u>\$ 0</u>	<u>\$ 292,929</u>
<b>Primary Government</b>				
Total Capital Assets, net	<u>\$ 429,093</u>	<u>\$ (17,981)</u>	<u>\$ 0</u>	<u>\$ 411,112</u>

VILLAGE OF IDA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 5 ACCOUNTS PAYABLE AND ACCRUALS**

The following is a summary of accounts payable at December 31, 2010:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Salaries and related benefits	\$ 1,217	\$ 0	\$ 1,217
Other	<u>0</u>	<u>5,403</u>	<u>5,403</u>
Total	\$ <u>1,217</u>	\$ <u>5,403</u>	\$ <u>6,620</u>

**NOTE 6 OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES**

**A. Interfund Receivables and Payables**

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 0	\$ 3,106
Utility Funds	<u>3,106</u>	<u>0</u>
	\$ <u>3,106</u>	\$ <u>3,106</u>

**B. Operating Transfers**

	<u>Operating In</u>	<u>Transfers Out</u>
General Fund	\$ 24,239	\$ (38,492)
Utility Fund	<u>(38,492)</u>	<u>24,239</u>
	\$ <u>(14,253)</u>	\$ <u>(14,253)</u>

**NOTE 7 LONG -TERM DEBT**

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Beginning Balance	\$ 0	\$ 0	\$ 0
Revenue Bond Debt, Due Within 1 Year	1,000	0	1,000
Revenue Bond Debt	6,504	0	6,504
Other Long Term Debt	<u>0</u>	<u>0</u>	<u>0</u>
Ending Balance	\$ <u>7,504</u>	\$ <u>0</u>	\$ <u>7,504</u>

VILLAGE OF IDA, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
DECEMBER 31, 2010

**NOTE 7      LONG-TERM DEBT (Continued)**

Revenue Bond Issue

The Village of Ida had long-term debt totaling \$7,504 for the year ended December 31, 2010. The debt consists of a draw on the State of Louisiana Department of Environmental Quality State Revolving Fund Loan in the amount of \$7,504 used to pay the legal fees for the bond issuance. The DEQ loan is part of a \$250,000 Revenue Bond issue, Series 2010 for the Village of Ida. Repayment terms are at an annual interest rate of 0.45% and fees at a rate of 0.5%. The term of the bond issue is for 20 years. The sewer project has not yet been completed and ongoing expenses are shown as "Construction-in Progress" in Exhibit A of the financial statements. Outstanding disbursement balance at December 31, 2010 was \$242,496.

Repayment Schedule for Revenue Bonds, based on current balance of \$7,504 at December 31, 2010:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>
2011	\$1,000	\$32
2012	1,000	27
2013	5,504	25

**NOTE 8      LEASES**

The Village of Ida was not obligated under any capital or operating lease commitments at December 31, 2010.

**NOTE 9      RISK MANAGEMENT**

The Village of Ida is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Village of Ida maintains commercial insurance coverage covering each of those risks of loss through the Louisiana Municipal Risk Management Agency. Management believes such coverage is sufficient to preclude any significant uninsured losses to the Village of Ida.

**NOTE 10      LITIGATION**

There was no outstanding litigation against the Village of Ida at December 31, 2010.

**NOTE 11      CLAIMS AND JUDGEMENTS**

The Village of Ida participates in federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Village of Ida may be required to reimburse the grantor government. The Village of Ida believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the Village of Ida.



**REQUIRED SUPPLEMENTAL INFORMATION**

**SCHEDULE 1**

**VILLAGE OF IDA, LOUISIANA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF**  
**GOVERNMENTAL FUNDS- BUDGET (GAAP BASIS) AND ACTUAL-GENERAL FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

	<u>ORIGINAL BUDGET</u>	<u>AMENDED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b><u>REVENUES</u></b>				
Franchise Fees	\$ 6,500	\$ 6,500	\$ 6,346	\$ (154)
Grant Revenue	375,000	696,332	703,706	7,374
Licenses and Permits	10,000	9,200	9,175	(25)
Sales Tax Revenue	35,000	41,000	43,370	2,370
Interest	25	25	1,126	1,101
Rentals	4,000	3,000	3,062	62
Street Lights	1,500	1,500	0	(1,500)
Contributions	5,000	25,000	23,160	(1,840)
Other Revenues	<u>5,500</u>	<u>3,300</u>	<u>15,931</u>	<u>12,631</u>
Total revenues	<u>442,525</u>	<u>785,857</u>	<u>805,876</u>	<u>20,019</u>
<b><u>EXPENDITURES</u></b>				
Payroll	3,500	3,500	1,413	2,087
Casual Labor	5,000	9,300	6,842	2,458
Dues and Publications	2,000	1,600	1,741	(141)
Insurance	4,250	4,600	5,637	(1,037)
Repairs and Maintenance	15,375	2,100	4,111	(2,011)
Office	2,200	1,000	740	260
Professional Fees	6,000	7,500	7,378	122
Supplies	12,000	10,000	11,088	(1,088)
Printing & Reproduction	0	0	200	(200)
Utilities	8,000	8,300	9,702	(1,402)
Telephone	1,800	2,300	2,448	(148)
Street Lighting	0	0	0	0
Travel	300	300	0	300
Capital Outlay	177,500	696,332	703,706	(7,374)
Dispense Traffic Fines	5,000	3,500	372	3,128
Miscellaneous	<u>2,100</u>	<u>8,100</u>	<u>16,108</u>	<u>(8,008)</u>
Total Expenditures	<u>245,025</u>	<u>758,432</u>	<u>771,486</u>	<u>(13,054)</u>
NET CHANGE IN FUND BALANCES	197,500	27,425	34,390	6,965
Net Operating Transfers Out	0	0	(14,253)	(14,253)
FUND BALANCE AT BEGINNING OF YEAR	<u>70,478</u>	<u>70,478</u>	<u>70,478</u>	<u>0</u>
FUND BALANCE AT END OF YEAR	\$ <u>267,978</u>	\$ <u>97,903</u>	\$ <u>90,615</u>	\$ <u>(7,288)</u>

Supplementary information.  
Presented as additional analytical data. See accountant's report.

## **OTHER SUPPLEMENTAL INFORMATION**

**SCHEDULE 2**

**VILLAGE OF IDA, LOUISIANA  
SCHEDULE OF COMPENSATION PAID TO MEMBERS OF THE BOARD OF ALDERMEN  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Compensation Paid to Board Members**

The schedule of compensation paid to the Mayor and members of the Board of Aldermen of the Village of Ida, Louisiana is included in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature. Compensation of the Mayor and Aldermen is included in the general government expenditures of the general fund.

<u>Members</u>	
Mayor Maddox	\$ 0
Alderman Shaw	300
Alderman Dial	300
Alderman Thomas	<u>300</u>
Total	\$ <u><u>900</u></u>

**VILLAGE OF IDA, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/Pass-Through Grantor/Program Title	Pass Through/ CFDA	Federal Expenditures
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:</b>		
Passed through the Louisiana Office of Community Development:		
Community Development Block Grants	629248/ 14.228	<u>\$ 561,488</u>
Total for Department of Housing and Urban Development		<u>561,488</u>
<b>DEPARTMENT OF ENVIRONMENTAL QUALITY:</b>		
Passed through the Louisiana Department of Environmental Quality: ARRA-Capitalization Grants for Clean Water		
State Revolving Fund	221410-01/ 66.458	<u>7,504</u>
Total for Department of Environmental Quality		<u>7,504</u>
Total Federal Expenditures		<u>\$ 568,992</u>

See accompanying notes to schedule of expenditures of federal awards.

**VILLAGE OF IDA, LOUISIANA**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

Note 1 General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the Village of Ida. The Village reporting entity is defined in Note 1 to the financial statements for the year ended December 31, 2010. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies.

Note 2 Basis of Accounting

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Village and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note 3 Loan Guarantee

The Department of Environmental Quality has issued a Revenue Bonds, Series 2010 in the amount of \$250,000 for the costs of constructing and acquiring improvements, extensions and replacements to its sewerage system. The Village expended \$7,504 during the current year. The unpaid balance at December 31, 2010 is \$7,504.

## **OTHER REPORTS**

# Bates, Murray & Company LLC

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## REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Honorable Mayor and Board of Aldermen  
Village of Ida, Louisiana

We have audited the financial statements of the governmental activities, the business-type activities, the major fund and the aggregate remaining fund information of the Village of Ida, as of and for the year ended December 31, 2010, which collectively comprise the Village of Ida, Louisiana's basic financial statements and have issued our report thereon dated June 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### Internal Control Over Financial Reporting

In planning and performing our audit, we considered Village of Ida's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Village of Ida, Louisiana's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Village of Ida's internal control over financial reporting.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did identify two deficiencies as described in the accompanying schedule of findings and questioned cost as items 2010-1 and 2010-2. However, due to effective compensating controls that the Village has in place, we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We do not consider the deficiencies described in the accompanying schedule of findings and questioned costs to be significant deficiencies.



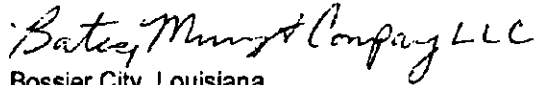
### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Village of Ida's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Village of Ida, Louisiana, in a separate letter dated June 28, 2011.

This report is intended solely for the information and use of the Board of Aldermen, management, and others within the Village, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Bates, Murray & Company LLC



Bossier City, Louisiana  
June 28, 2011

# Bates, Murray & Company LLC

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## INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Honorable Mayor and Board of Aldermen  
Village of Ida, Louisiana

### Compliance

We have audited Village of Ida's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Village of Ida's major federal programs for the year ended December 31, 2010. Village of Ida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Village of Ida's management. Our responsibility is to express an opinion on the Village of Ida's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Village of Ida, Louisiana's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Village of Ida's compliance with those requirements.

In our opinion, the Village of Ida, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

### Internal Control over Compliance

Management of the Village of Ida, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Village of Ida's internal control over compliance with the requirements that could have a direct and material effect on a major federal program

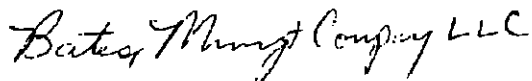
to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Village of Ida's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the Board of Aldermen, management, and others within the Village, the Louisiana Legislative Auditor, and federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Bates, Murray & Company LLC

A handwritten signature in cursive script that reads "Bates, Murray & Company LLC".

Bossier City, Louisiana  
June 28, 2011

SCHEDULE 3

VILLAGE OF IDA, LOUISIANA  
STATUS OF PRIOR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2010

Status of Prior Findings

<u>Reference Number</u>	<u>Description of Finding</u>	<u>Current Status</u>
2009-1	The budget was not amended appropriately by ordinance when actual revenues and expenditures exceeded budgeted revenues and expenditures by more than 5% in violation of RS 39:1310 which requires a proposed budget amendment be adopted when actual revenues and expenditures do not fall within 5% of budget.	This is not a finding for current year ended December 31, 2010.
2009-2	Subsidiary accounts receivable ledgers are not being reconciled to the general ledger.	This is again a finding for the current year ending December 31, 2010.

**VILLAGE OF IDA, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Section 1- Summary of Auditor's Results**

**Financial Statements:**

<b>Type of auditor's report issued:</b>	<b>Unqualified</b>	
<b>Internal control over financial reporting:</b>		
<b>Material weakness(es) identified?</b>	<input type="checkbox"/> <b>yes</b>	<input checked="" type="checkbox"/> <b>no</b>
<b>Control deficiency(s) identified that are not considered to be material weaknesses?</b>	<input checked="" type="checkbox"/> <b>yes</b>	<input type="checkbox"/> <b>no</b>
<b>Noncompliance material to financial statements noted?</b>	<input type="checkbox"/> <b>yes</b>	<input checked="" type="checkbox"/> <b>no</b>
<b>Federal Awards:</b>		
<b>Internal control over major programs:</b>		
<b>Material weakness(es) identified?</b>	<input type="checkbox"/> <b>yes</b>	<input checked="" type="checkbox"/> <b>no</b>
<b>Control deficiency(s) identified that are not considered to be material weaknesses?</b>	<input type="checkbox"/> <b>yes</b>	<input checked="" type="checkbox"/> <b>no</b>
<b>Type of auditor's report on compliance for major programs:</b>	<b>Unqualified</b>	
<b>Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?</b>	<input type="checkbox"/> <b>yes</b>	<input checked="" type="checkbox"/> <b>no</b>
<b>Identification of major programs:</b>		
<b>CFDA #14.228 LCDBG</b>		
<b>Dollar threshold used to distinguish between type A and type B programs:</b>	<b>\$300,000</b>	
<b>Auditee qualified as low-risk auditee?</b>	<input type="checkbox"/> <b>yes</b>	<input checked="" type="checkbox"/> <b>no</b>

**VILLAGE OF IDA, LOUISIANA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)**  
**FOR THE YEAR ENDED DECEMBER 31, 2010**

**Section 2-Financial Statement Findings**

<b>Reference Number</b>	<b>Description of Finding</b>	<b>Corrective Action Planned</b>	<b>Contact Person</b>	<b>Anticipated Completion Date</b>
2010-1	<p><b>Condition:</b>  Subsidiary accounts receivable ledgers are not being adequately reconciled to the general ledger.</p> <p><b>Cause:</b>  Procedure for adequate reconciliation not followed monthly.</p> <p><b>Recommendation:</b>  Management should ensure appropriate monthly reconciliation procedure is followed ensure adequate reconciliation.</p>	<p>The utility accounts receivable account will be reviewed monthly to ensure that sales, receivables, and adjustments are properly recorded.</p>	<p>Haywood  Williamson</p>	<p>Present</p>
2010-2	<p><b>Condition:</b>  An inadequate segregation of duties exists with respect to accounting functions. Due to the limited number of personnel adequate segregation of duties may not be achievable since economic hardship would exceed the benefits derived.</p> <p><b>Cause:</b>  Limited personnel available to carry out day to day activities of the Village.</p> <p><b>Recommendation:</b>  Not economically feasible to hire more personnel. Continue using other safeguards to mitigate exposure to risk.</p>	<p>The Board has determined that it is not cost effective to achieve complete segregation of duties in the accounting department.</p>	<p>Haywood  Williamson</p>	<p>Present</p>

**VILLAGE OF IDA, LOUISIANA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)  
FOR THE YEAR ENDED DECEMBER 31, 2010**

**Section 3-Financial Statement Findings and Questioned Costs  
Major Program**

**There are no findings or questioned costs in regard to the major program.**

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## MANAGEMENT LETTER

The Honorable Mayor and Board of Aldermen  
Village of Ida, Louisiana

During our audit of the financial statements of the Village of Ida as of December 31, 2010 and for the year then ended, we noted a certain area in which the efficiency and effectiveness of the operations and/or compliance with certain laws and regulations could be improved. Our comments are not intended to reflect upon the ability or integrity of the Village's personnel.

### 2010-ML-1 Reconciliation of Utility Accounts Receivable to General Ledger

#### Monthly Reconciliation of Customer Receivable Balances

Although reconciliation discrepancies have not been material, since this has been a finding in two consecutive years, we believe it warrants a management letter comment.

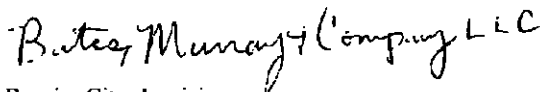
The Village's documented procedure outlines:

Each month, the customer receivable balance reflected in the general ledger is to be reconciled/agreed to the total of customer balances recorded in the utility billing system (subsidiary ledger). Any differences must be investigated and resolved immediately.

Our recommendation is that the Village follow the monthly reconciliation procedure to ensure correct balances are recorded in the general ledger.

We would like to express our appreciation to you and your staff for the courtesies and assistance rendered to us in the performance of our audit. Should you have any questions or need additional assistance, please feel free to contact us.

Bates, Murray & Company LLC



Bossier City, Louisiana  
June 28, 2011



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